

**Appropriations Committee
Health Subcommittee
February 24, 2022**

**Written Testimony
House Bill 5037 AAC the State Budget for the Biennium Ending June 30th, 2023
(Department of Developmental Services)**

Senator Osten, Representative Walker, Senator Miner, Representative France and members of the Appropriations Committee. My name is Julie Erickson and I am the Senior VP at CCARC, Inc. located in New Britain. I have worked at CCARC for 41 years. CCARC is a community non-profit agency that supports approximately 200 individuals with intellectual and developmental disabilities. We are committed to providing quality services to enhance individuals' lives, promote and develop their abilities and provide opportunities for community involvement. We achieve these objectives through Day, Employment, and Residential Services, Recreational Programs and Self Advocacy.

Thank you for the opportunity to provide testimony on the state budget as I am not able to attend the public hearing.

I want to thank you for the 4% Cost of Living Adjustment (COLA) for community nonprofits that you fought to include in last year's budget. I would also like to ask you to honor the long term plan to address underfunding of community nonprofits and increase funding this year by an additional \$461 million, or 8% in total for FY23.

This funding is needed now more than ever. Without it, we risk destabilizing our state's community service delivery system which has been upended by the pressures of COVID-19 and an exponential increase in the need for service in our communities.

At the same time, we're facing unprecedented challenges recruiting and retaining staff of all skill levels and salaries. We currently have 47 open positions (out of a workforce of 285 employees) and have consistently for the past two years been unable to recruit and retain employees. This has resulted in increased overtime costs to provide the services that are needed by this vulnerable population, increased burnout and high turnover. The primary openings are for our direct support staff where we are in competition with places like Costco, down the street from our main location, that require no specialized training and are paying and offering more hiring incentives.

The increase in this year's budget, while very much appreciated, has quickly been absorbed by rising costs. Over the last year, inflation rose by almost six percent, surpassing the COLA in the current year's budget. With that comes increased costs for utilities, gas for our fleet our vehicles, food for our community living arrangements, insurance and health care benefits, to name a few.

CCARC as a nonprofit providers is funded primarily by the Department of Developmental Services and I am grateful for the efforts of the Appropriations Committee and Governor Lamont

to address wage and funding issues specific to services for the Intellectual/Developmental Disabilities population. Last year's Group Home Settlement provided significant funding to increase the minimum wage for direct support staff in DDS agencies.

However, the group home settlement also created significant challenges:

- First, the terms of the settlement provided wage increases of as much as 11.6% for entry level staff, which next year will increase to 14.5%. But the agreement only provides a 3% increase to everyone else. Staff who before July were making only slightly above the new minimum, often people who had years or decades of experience or managing other staff, found themselves suddenly paid almost the same as a new hire.
- Second, the funding dedicated a pool of dollars to enhance employee benefits, but to date none of that funding has been disbursed to providers. We understand it to total less than half what providers have told DDS they would need.
- The wage compression between Managers and their direct support staff has been exacerbated where we now have some DSPs who are making nearly as much as the Manager who supervises them.

Finally, please support please support the following proposals by Governor Lamont from the American Rescue Plan Act for DDS:

- \$5 million in FY23 for infrastructure improvements for public and privately-owned camps.
- \$5 million in FY23 to provide additional recreational and leisure opportunities to facilitate socialization and connections as the state emerges from the pandemic.

Thank you for all that you and I hope that you can continue to honor your commitment to address the long term funding plan for nonprofit providers who have been chronically underfunded for over a decade.

Sincerely,

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